

Pension News

A Newsletter Published for New Jersey's Retired Public Employees

IVR Enhanced Automated Information System Now Operational

The Division of Pensions and Benefits recently installed brand-new Interactive Voice Response (IVR) technology to upgrade its Automated Information System. This technology has enabled the Division to expand the applications and information available over this automated telephone system.

The Division's Automated Information System has many advantages, including:

- ◆ It is available 24 hours a day, seven days a week;
- ◆ The only "equipment" required to use this system is a touch-tone phone;
- ◆ There is never a wait to use this service;

- ◆ Available information and applications have been greatly expanded.

To use the Division's IVR enhanced system, just dial (609) 777-1777 and follow the prompts. The system is voice activated for easy use.

The information and applications now available to retirees through the Automated Information System are described in detail below and on page 2. This system's enhanced functionality and usefulness will translate to improved customer service.

Do you need your retired account information?

With the Automated Information System, you can listen to the following information about your retired

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Chapter 78, P.L. 2011 Changes COLA Provisions

According to the provisions of a new law, Chapter 78, P.L. 2011, future Cost-of-Living Adjustments (COLAs) provided to eligible retirees and benefit recipients of the Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), State Police Retirement System (SPRS), Police and Firemen's Retirement System (PFRS), and Judicial Retirement System (JRS) have been suspended for current and future retirees and benefit recipients. In addition, future COLA increases have been suspended for the retirees and beneficiaries of the Consolidated Police and Firemen's and Prison Officers' Pension Funds, which are two systems that are closed to new members. The suspension of the COLA benefit took effect with pension checks dated August 1, 2011. While future COLAs have been suspended, it is

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IVR Enhanced Automated Information System Now Operational *(continued from page 1)*

account over the phone, 24 hours a day, seven days a week:

- ◆ Your monthly allowance and deduction information, as found on your most recent *Statement of Allowances and Deductions*;
- ◆ Your retirement type and selected retirement option;
- ◆ Your final average salary or final compensation;
- ◆ Your total pension contributions.

Do you need to update your home address?

You can now use the Automated Information System to change your address information and telephone number on file with the Division.

Do you need to change your current direct deposit information?

Retired public employees who already receive their monthly pension payment through Electronic Fund Transfer (EFT or direct deposit) may use the Automated Information System to update their direct deposit information. Retired members may change both direct deposit *account* information and direct deposit *bank* information.

Please note: *It is not possible to **sign up** for direct deposit with this system. Retired members who do not yet use direct deposit to receive their monthly pension payment must use the Member Benefits Online System (MBOS) or submit a printed Authorization for Direct Deposit of Benefit Payment form to authorize direct deposit of their monthly pension allowance. For more information about the MBOS "Direct Deposit" online application, see page 4.*

Do you need a duplicate Form 1099-R?

The Automated Information System allows retired members and benefit recipients to request a duplicate Form 1099-R for the current tax year. Retired public employees may also request duplicates of Form 1099-R going back up to three previous tax years.

Would you like to change the amount of State or federal tax withheld from your monthly pension allowance?

Retired members who **already have** State or federal tax withholding taken from their monthly pension allowance can obtain their current tax withholding amounts and status from the Automated Information System. They can also change their State tax withholding amount or increase their federal tax withholding amount.

However, retired members must use the "Tax Withholding" application on MBOS, or the printed Federal Tax Withholding Form W-4P or New Jersey State Tax Withholding Form NJ W-4P, to begin federal and/or State withholdings for tax purposes.

Would you like to request a specific letter from the Division about your account?

Retired public employees can now request various account-specific letters through the Automated Information System, such as a statement of account letter, mortgage verification letter, federal tax letter, or State tax letter.

Are you a retired member of the State Health Benefits Program (SHBP) or School Employees' Health Benefits Program (SEHBP)?

If so, you can check your enrollment status and coverage as a retired member of the SHBP or SEHBP. You can also change your address on file with the SHBP or SEHBP through the Automated Information System.

Did you carry a loan balance into retirement?

The Automated Information System can provide members who carried a loan balance into retirement with an **estimate** of their remaining loan balance. *Please note that retired members are not permitted to apply for a pension loan.*

Our NEW Automated Information System provides you with more information than ever before — right over the phone! We encourage you to give this new system a try. It will help you get answers and make changes quickly!

Chapter 78, P.L. 2011 Changes COLA Provisions *(continued from page 1)*

important to note that there is no reduction to any COLA increases that were already added to retiree benefits prior to the effective date of the law. Retired members of the above pension systems can rest assured that the amount of money now received each month will not be reduced by this law.

Chapter 78 also provides for the establishment of pension committees for the retirement systems open to new members, which may consider reinstating the COLA in some form when the retirement system reaches the "target funded ratio" established by the law. At that time, the pension committees are to give reactivation of the COLA priority consideration.

A pension system's "funded ratio" for a specific fiscal year is the ratio of the actuarial value of a pension

system's assets against the actuarially determined accrued liabilities of that system, multiplied by 100 to express it as a percentage. The result is the percentage of accrued liabilities that are covered by assets.

Chapter 78 sets the "target funded ratio" for each pension fund at 75 percent for State fiscal year 2012, with an annual increase in equal increments for each of the next seven fiscal years until that ratio has a value of 80 percent. The "target funded ratio" will then remain at 80 percent for all subsequent fiscal years.

The Division will continue to keep you apprised of any developments in this area, including the tracking of each system's funded ratio versus the target funded ratio, formation of pension committees, and any action that the formed pension committees may recommend.

Frequently Requested Forms and Fact Sheets

Printable in Seconds from the Division's Web Site

One very useful purpose of the Division of Pensions and Benefits Web site is to provide access to Division forms and fact sheets needed periodically by New Jersey's retired public employees, such as the *Authorization for Direct Deposit of Benefit Payment* or the federal and State *Forms W-4P*. Not only does obtaining forms and fact sheets from the Division's Web site eliminate the time needed to call, write, or e-mail Client Services to request these documents; it also eliminates the time spent waiting to receive the requested documents by mail. Almost all Division forms and fact sheets are in Adobe PDF format, so they can be opened and printed with ease, in seconds.

The Internet address for the Division's Web site is www.state.nj.us/treasury/pensions. If you type this URL (Internet address) into the "text box" that appears at the top of your Web browser, the Division's home page opens.

If you prefer to bypass the home page and start at the "Retiree" home page of the Division's Web site, you can type the URL, www.state.nj.us/treasury/pensions/retiree-home.shtml into the "text box" of your Web browser instead. This page provides links and drop down menus for information that is pertinent to retirees.

If you want to directly access a listing of Division forms commonly requested by retirees, you can type in the URL for the "Commonly Requested Forms for Retirees" page on the Division of Pensions and Benefits Web site:

www.state.nj.us/treasury/pensions/retiree-forms.shtml

Then click on the link for the form you need to open. To access a listing of all of the Division's available fact sheets, type in the URL for the "Fact Sheets by Number" page on the Division of Pensions and Benefits Web site:

www.state.nj.us/treasury/pensions/fact-sheets.shtml

Remember, you can always type in the URL for the applicable form and it will open. Then you can print it. If you give the URL to a family member or friend with a personal computer, they will be able to print the form for you.

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The MBOS Electronic Fund Transfer Application

The Electronic Fund Transfer (EFT or Direct Deposit) application available on the Member Benefits Online System (MBOS) allows you to start or change direct deposit of your monthly pension payment online.

Electronic Fund Transfer is now mandatory for those retiring on or after July 1, 2011, and is strongly recommended for those who retired prior to July 1, 2011. It is an easy, convenient way to ensure that your monthly pension payment arrives at your bank—automatically!

Before you can use the EFT application on MBOS, or any of the MBOS applications available to New Jersey retired public employees, you must have access to a personal computer, as well as a valid e-mail address, and you must register for MBOS. To learn how to register for MBOS, visit the Division of Pensions and Benefits Web site, at: www.state.nj.us/treasury/pensions/mbos-retired.shtml

To access the Electronic Fund Transfer or Direct Deposit application, log on to MBOS, using your logon ID and password. Then click on the "Electronic Fund Transfer" button found on the MBOS home page.

new jersey division of pensions and benefits
member benefits online system

Retired Account Applications

WELCOME TO THE RETIRED MEMBER BENEFITS ONLINE SYSTEM

Member Information

Member Name:	KEN MEMBER	Mailing Address:	123 MAIN STREET ANYTOWN, NJ 08555
Retirement Number:	03-10-XXXX	Home Phone Number:	(609) 555-5555
E-mail Address:	k.member@mailaddress.com		

Please update your address, phone number, and e-mail address, if changed, by clicking the appropriate link above.

Message Board
Please check back often to see more Retired Account Applications

Retired Account Applications
Pension Account Information

Electronic Fund Transfer ←

Retired Account Information

Income Tax Withholding

Application Help

Links and Forms Search Help

If you have not yet signed up for Electronic Fund Transfer (direct deposit) of your monthly benefit payment, the next page will direct you to click the "New EFT Authorization" button to sign up.

Name: KEN MEMBER
Address: 123 MAIN STREET
ANYTOWN, NJ 08555

E-mail Address: k.member@mailaddress.com
Retirement No.: 03-10-XXXX
Phone Number: (609) 555-5555

Please click here to update your mailing address if the address shown is incorrect.

No Authorization for Direct Deposit of Benefit Payment is on file for you. To sign up for Direct Deposit (Electronic Funds Transfer) of your benefit payment, please click "New EFT Authorization" button below.

New EFT Authorization

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The MBOS Electronic Fund Transfer Application *(continued from page 4)*

If you have previously authorized direct deposit of your benefit payment, a different page appears. It shows your current EFT information and has a button that allows you to update your direct deposit information.

Name: KEN MEMBER **E-mail Address:** k.member@mailaddress.com
Address: 123 MAIN STREET **Retirement No.:** 03-10-XXXXX
ANYTOWN, NJ 08555 **Phone Number:** (609) 555-5555

Please click here to update your mailing address if the address shown is incorrect.

Your pending Direct Deposit (Electronic Funds Transfer) information is shown below.

NAME OF FINANCIAL INSTITUTION: BOILING SPRINGS S & L ASSN

EFFECTIVE DATE: 03/10/2008

ACCOUNT TYPE: Checking

Use the "printable version" link at the top of this page to print your current EFT information.

What do you wish to do at this time?

I wish to update my Electronic Funds Transfer information
(Change bank account type, bank account number, and/or bank routing number).

After selecting either "New EFT" or "Update" of current EFT information, a page will open with form fields and detailed instructions on how to enter your bank information. You will have to provide your account number and bank routing number in the fields provided.

Name: KEN MEMBER **Retirement No.:** 03-10-XXXXX

Please enter the Direct Deposit (Electronic Funds Transfer) information requested in the fields below.

This change will take effect with the payment date of 05/01/2008.

ACCOUNT TYPE:

ACCOUNT NUMBER:

REENTER ACCOUNT NUMBER:

BANK ROUTING NUMBER:

Your bank's routing number is nine digits in length. For help, click on the [?](#)

Upon entering the information requested, please check that the information is correct and click the "Continue" button, or correct any information that is incorrect. A Summary page will appear next, displaying the bank and account information you have entered.

Member Name: KEN MEMBER

Retirement No.: 03-10-XXXXX

YOU HAVE INDICATED THAT YOU WISH TO BEGIN DIRECT DEPOSIT (ELECTRONIC FUNDS TRANSFER) OF YOUR RETIREMENT BENEFIT PAYMENT TO THE FINANCIAL INSTITUTION/ACCOUNT BELOW. IF CORRECT, CLICK SUBMIT. OTHERWISE, USE THE BACK BUTTON TO MAKE ANOTHER SELECTION.

NAME OF FINANCIAL INSTITUTION: BOILING SPRINGS S & L ASSN

ACCOUNT TYPE: Checking

If corrections are still needed, click the "Back" button. Otherwise, click the "Submit" button to complete the processing of your EFT request.

A final confirmation page will open, which can be printed for your records. When you are finished, use the "Home" button at the top of the page to exit the application and return to the MBOS home page.

Member Name: KEN MEMBER

Retirement No.: 03-10-XXXXX

YOUR REQUEST TO BEGIN ELECTRONIC FUNDS TRANSFER OF YOUR RETIREMENT BENEFIT PAYMENT TO THE FINANCIAL INSTITUTION/ACCOUNT HAS BEEN SUBMITTED SUCCESSFULLY.

To print this information, please use the "Printable version" link at the top of this page.

Our Newsletter Survey: To Thank You

In the February 2011 issue of the PensionNews, we provided a survey to ask for your input about the information and services available on the Division of Pensions and Benefits Web site. Many PensionNews readers took the time to complete the survey; in fact, several thousand completed surveys poured into the Division, and they are still coming in! Your response to our request is most appreciated. The survey results will continue to be tallied in the coming weeks, and the data collected will be referenced when making improvements to our Web site. The results will also help us use this newsletter to disseminate the information that is most needed by our readers to get the best use from the Division's Web site.

Preliminary survey results indicate that some of New Jersey's retired public employees shy away from using the Internet to get information about their membership and benefits in retirement, so future issues of the newsletter will be dedicated to helping acquaint you with our Web site and the other online tools we offer, like the applications available on the Member Benefits Online System (MBOS). We have begun this endeavor in the current issue, with information about how to obtain the most widely used forms on our Web site and how to use the **Electronic Fund Transfer (Direct Deposit)** application available on MBOS.

Ideas, complaints, and suggestions shared through the Internet survey concerning other services provided by the Division (that do not specifically apply to the Internet) will be forwarded to the applicable operating unit at the Division. **Thank you for responding to our request for feedback about our Web site. We appreciate your tremendous response!**

Three Ways to Update Your Tax Withholding Information

In retirement, many public employees elect to have federal and/or State income tax withheld from their monthly pension allowance by the Division of Pensions and Benefits, to apply to their yearly income tax payments. If a previously elected federal or State income tax withholding amount needs adjustment, three different options for updating your withholding selections are now available.

One of the most efficient methods for updating withholding amounts is available through the Member Benefits Online System, or MBOS. Before you can use the "Income Tax Withholding" application on MBOS, or any of the MBOS applications available to New Jersey retired public employees, you must have access to a personal computer, as well as a valid e-mail address, and you must register for MBOS. To learn how to register for MBOS, visit the Division of Pensions and Benefits Web site, at: www.state.nj.us/treasury/pensions/mbos-retired.shtml

Once your MBOS account is set up, you can log on to MBOS, using your logon ID and password. This action will bring you to the MBOS home page. Then, you can access the "Income Tax Withholding" application by clicking on the "Income Tax Withholding" button found on the MBOS home page.

On the first page of the "Income Tax Withholding" application, MBOS provides your current withholding amounts. After accessing this information, you can update your federal tax withholding amount, your New Jersey State tax withholding amount, or both.

Another way to update your income tax withholding information is through the IVR enhanced Automated Information System. After dialing (609) 777-1777, enter your Social Security number and listen to the prompts. "Tax Withholding" is listed among the first set of options available.

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Frequently Requested Forms and Fact Sheets

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Here is a table of the most frequently requested forms and their URLs. If you type the URL in the "text box" of your Web browser, the form will open and can be printed.

Form	URL (Web Address)
<i>Authorization for Direct Deposit</i>	www.state.nj.us/treasury/pensions/epbam/exhibits/pdf/fc0430.pdf
Retired Federal Tax Withholding Form W-4P	www.state.nj.us/treasury/pensions/pdf/fw4p.pdf
Retired New Jersey Tax Withholding Form NJ W-4P	www.state.nj.us/treasury/pensions/pdf/w4p.pdf
<i>Designation of Beneficiary Form</i>	www.state.nj.us/treasury/pensions/epbam/exhibits/pdf/eb214.pdf
<i>Waiver or Restoration of Pension Allowance</i>	www.state.nj.us/treasury/pensions/epbam/exhibits/pdf/rm0487.pdf
<i>For members who have retired State Health Benefits Program or School Employees' Health Benefits Program coverage, additional forms are available to download and print.</i>	
<i>Health Benefits Retired Change of Status Application</i> This application is for retirees making a plan or coverage change.	www.state.nj.us/treasury/pensions/epbam/exhibits/pdf/hr0809.pdf
<i>Health Benefits Retired Coverage Enrollment Application</i> This application is for new enrollees only.	www.state.nj.us/treasury/pensions/epbam/exhibits/pdf/hr0801.pdf

Three Ways to Update Your Tax Withholding Information

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The third way to update your income tax withholding information is by submitting the printed Federal Tax Withholding Form W-4P or New Jersey State Tax Withholding Form NJ W-4P. Both forms are available to print from the Division of Pensions and Benefits Web site: www.state.nj.us/treasury/pensions. You can link to the withholding forms directly by typing in the following Web addresses:

Federal Tax Withholding Form W-4P: www.state.nj.us/treasury/pensions/pdf/fw4p.pdf

NJ Tax Withholding Form NJ W-4P: www.state.nj.us/treasury/pensions/pdf/w4p.pdf

*Please note: Members who want to **begin** federal and/or State withholdings for tax purposes must use the "Income Tax Withholding" application on MBOS, or the printed Federal Tax Withholding Form W-4P or New Jersey State Tax Withholding Form NJ W-4P. It is not possible to initiate federal or State tax withholdings through the Automated Information System.*

PensionNews

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Need Help with the Internet? Use the Resources Available to You!

Some of our readers indicated on their completed surveys that while they do not use the Internet themselves, they often turn to friends or loved ones to help them obtain information or print forms from the Division's Web site.

Neighbors, family members, and friends are a great resource for help with the Internet. One retired member indicated that his neighbor is happy to access and print Division forms for him whenever needed. Another retired member wrote that asking her grandson for help with the Internet gives the two of them a positive connection. He loves to show off how computer savvy he is, and she obtains the forms and information she seeks quickly.

Many local public libraries also make Internet services available to their members, and librarians are often trained to help inexperienced users. In addition, basic courses about using the computer and the Internet are offered at community colleges and evening school programs throughout New Jersey. Some are quite inexpensive and worth the price.

It seems as though the computer age is here to stay, so improving one's computer skills can be very useful!

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Division of Pensions and Benefits
www.state.nj.us/treasury/pensions

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